



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

Johnny Sutton, U.S. Attorney

FOR IMMEDIATE RELEASE

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January 11, 2006

FORMER HOUSTON LAWYER FOUND GUILTY OF MAIL FRAUD

United States Attorney Johnny Sutton announced today that in Midland, after a two day trial, 55-year-old Philip Joseph Smith, of Houston, was convicted of 3 counts of mail fraud. Each count carries a maximum 30 year sentence.

"Even though the State of Texas took away Mr. Smith's law license he ripped off unsuspecting clients while pretending to be still be a licensed lawyer. Today's conviction should end his law career once and for all," stated United States Attorney Johnny Sutton.

Evidence at trial showed that in July 2003, the family of a Texas inmate hired the defendant, who at the time was a licensed attorney, to pursue legal action in federal court on the inmate's behalf. The purpose of this action was to convince the federal courts to set aside the inmate's conviction and/or grant a new trial. Thereafter, in August 2003, the defendant filed legal proceedings on behalf of the inmate. Defendant Smith received payment from the inmate's family for legal services related to the proceedings - among those payments were the proceeds of the life insurance policy of the inmate's mother.

In May 2004, the defendant resigned from the practice of law in lieu of being disciplined for professional misconduct. The defendant neither informed the inmate nor his family that he was no longer a licensed attorney. Instead, through June 2005, he continued to demand and receive payment from the inmate and the inmate's family for legal services.

As part of the scheme to defraud, defendant Smith sent correspondence to the inmate's family on the letterhead of "Stephens & Associates", a law firm in Houston, Texas. This letter contained false representations that defendant Smith was a member of the Stephens and Associates law firm, when in truth and in fact Stephens and Associates was dissolved in March 2003 and Smith had no permission from the firm's principal, to use the firm's name or letterhead.

This case was investigated by the Federal Bureau of Investigation and prosecuted on behalf of the government by Assistant United States Attorney John Klassen.

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